Contain Dyer's answers & Jeff Bourke on Mechanical Cars JW

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PACIFIC FRUIT EXPRESS COMPANY

October News Letter

San Francisco, October 23, 1957

ALL P.F.E. EMPLOYEES:

P.F.E. Loadings

	1957			1956		
	PFE Cars	Foreigns	Total	PFE Cars	Foreigns	Total
September	28,995	2,559	31,554	30,781	2,718	33,499
Jan.-Sept.	251,136	22,751	273,887	266,568	29,566	296,134

This represents a decrease of 5.8% in loadings of PFE cars, a decrease of 23.1% in loading of foreign equipment, with an over-all decrease of 7.5% as compared with 1956. In part this has been due to crop and market conditions, but truck takings continue to increase. It will be necessary that we develop offsetting economies in our own operations, while seeking every means to regain these traffic losses.

Car Situation

While there are ample cars available nationally to insure adequate protection, the supply of PFE cars on contract lines has been on the low side since October 1 and as of the 21st the situation has become extremely close. The endeavor has been to protect our business without calling on foreign car lines for assistance, and with the continued cooperation and efficient handling by the railroads, prospects are favorable for completing the month on this basis.

Crop Conditions

Along Southern Pacific

Oregon: Rogue River Valley pears are moving from storages in normal volume of 15 to 20 cars daily. Potato shipping from Klamath Basin has been light due to low markets and heavy trucking. Since start of shipping season in mid-September trucks have handled approximately 60% of the movement. Frozen foods and canned goods from Willamette Valley points are in normal seasonal volume.

Northern California. General rains throughout Northern and central California October 9 through 13th caused considerable damage to grapes, tomatoes and lettuce. Indications are that the lettuce movement from Salinas Valley will be the lowest of any October since 1940. The light movement from Salinas will be largely offset, however, by noticeable increase in lettuce shipping from Brentwood and Patterson where loading currently is averaging 75 to 80 cars daily. Lodi grapes were practically finished by the rain, with but few remaining shipments moving from storage.

Juice and table grapes from San Joaquin resumed volume movement after the rains but will decline steadily after October 23. Most of the rain damage to tomatoes is reflected in cannery movement.

PACIFIC FRUIT EXPRESS COMPANY

October News Letter

San Francisco, October 29, 1957

ALL P.F.E. EMPLOYEES:

P.F.E. Loadings

	From Other Carriers		Total	For Other Carriers		Total
	1957			1956		
Jan.-Sept.	251,136	22,721	273,857	266,868	29,966	296,834
September	26,995	2,559	29,554	30,721	2,418	33,139

This represents a decrease of 5.8% in loadings of PFE cars, a decrease of 23.1% in loading of foreign equipment, with an overall decrease of 7.5% as compared with 1956. Inspect this been due to crop and market conditions, but track tearing continue to increase. It will be necessary that we develop offsetting economies in our own operations. While making every means to regain these traffic losses.

Car Situation

While there are ample cars available nationally to insure adequate protection, the supply of PFE cars on contract lines has been on the low side since October 1 and as of the 21st the situation has become extremely close. The endeavor has been to protect our business without calling on foreign car lines for assistance, and with the continued cooperation and efficient handling by the railroads, prospects are favorable for completing the month on this basis.

Crop Conditions

Along Southern Pacific

Oregon: Rogue River Valley pears are moving from storages in normal volume of 15 to 20 cars daily. Potato shipping from Klamath Basin has been light due to low markets and heavy trucking. Since start of shipping season in mid-September trucks have handled approximately 60% of the movement. Frozen foods and canned goods from Willamette Valley points are in normal seasonal volume.

Northern California. General rains throughout Northern and central California in October & through 13th caused considerable damage to grapes, tomatoes and lettuce. Indications are that the lettuce movement from Salinas Valley will be the lowest of any October since 1940. The light movement from Salinas will be largely offset, however, by noticeable increase in lettuce shipping from Brentwood and Patterson where loading currently is averaging 15 to 20 cars daily. Lodi grapes were practically finished by the rain, with but few remaining shipments moving from storage.

Yuba and Yolo grapes from San Joaquin Resumed volume movement after the rains but will decline steadily after October 21. Most of the rain damage to tomatoes is reflected in canning movement.

Miscellaneous fall and winter vegetables are averaging around 100 cars daily from Salinas Valley, which should continue for several weeks. Shipping of canned goods in refrigerator cars commenced October 15. Frozen food loading is past its seasonal peak but should continue steadily in lighter volume.

Southern California-Arizona. Now in light loading season in southern California with loading consisting of miscellaneous vegetables from Guadalupe-Santa Maria district and light citrus movement from Oxnard-Santa Paula area and from Riverside-Covina territory. Some early lettuce in Imperial Valley intended for local consumption is moving east due to favorable markets. There has been a light lettuce movement from a new venture in Wilcox-Bowie area of Arizona which will continue through the month. Principal lettuce harvests in Imperial Valley and Yuma will not start until November.

T&NO. Harvest of early peppers will commence last week in October. Crops in Rio Grande Valley, Laredo and Coastal Bend are making good growth. Water supplies are sufficient to insure continued good farming through the season.

Along Union Pacific.

Idaho. Movement of early potatoes from Western Idaho and Eastern Oregon border points is about completed. The deal volume-wise exceeded expectations with shipments amounting to around 6200 cars compared with 4500 estimated. Harvesting of the Eastern Idaho crop is in full swing and will continue through the month. Shipments have been moving in seasonal volume and are expected to continue heavy until harvest is completed. Onion movement has been disappointing so far with about 15% going to trucks.

Northwest District. Apples and pears are moving from Yakima and Hood River. Other loading consisting of potatoes, frozen foods, beer and miscellaneous items will continue at normal rate.

Eastern District. Colorado vegetables are running considerably lighter than last year. Fall crop of potatoes from Colorado and Nebraska is under way and they will be in steady supply. Extent of rail movement will depend on truck activity which last year handled the bulk of crop movement.

Packing house products and miscellaneous items from Omaha and Kansas City areas are moving at normal rate.

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PFE 10950 has been equipped with a plastic reinforced fiberglass two-piece door manufactured by Superior Door Co. This trial application is on right side of the car; left side is equipped with the usual steel door. Weight of the fiberglass door, including fixtures, is 475#, compared to 1123# for the steel door, which should provide much easier operation. This design may lead to further developments that will bring present high costs in line with steel doors. While fiberglass construction lends itself to color impregnation, this sample door has been painted.

K. V. Plummer

Miscellaneous fall and winter vegetables are averaging around 100 cars daily from Salinas Valley, which should continue for several weeks. Shipping of canned goods in refrigerator cars commenced October 15. Frozen food loading is past its seasonal peak but should continue steadily in lighter volume.

Southern California-Arizona. Slow in light loading season in southern California with loading consisting of miscellaneous vegetables from Guadalupe-Santa Maria district and light citrus movement from Oxnard-Santa Paula area and from Riverside-Covina territory. Some early lettuce in Imperial Valley intended for local consumption is moving east due to favorable markets. There has been a light lettuce movement from a new venture in Wilcox-Bowie area of Arizona which will continue through the month. Principal lettuce harvests in Imperial Valley and Yuma will not start until November.

Texas. Harvest of early peppers will commence last week in October. Crops in Rio Grande Valley, Laredo and Coastal Bend are making good growth. Water supplies are sufficient to insure continued good farming through this season.

Along Union Pacific.

Idaho. Movement of early potatoes from Western Idaho and Eastern Oregon border points is about completed. The deal returnwise exceeded expectations with shipments amounting to around 6,800 cars compared with 4,500 estimated. Harvesting of the Eastern Idaho crop is in full swing and will continue through the month. Shipments have been moving in seasonal volume and are expected to continue heavy until harvest is completed. Onion movement has been disappointing so far with about 15% going to trucks.

Northwest District. Apples and pears are moving from Yakima and Hood River. Other loading consisting of potatoes, frozen foods, beer and miscellaneous items will continue at normal rate.

Eastern District. Colorado vegetables are running considerably lighter than last year. Fall crop of potatoes from Colorado and Nebraska is under way and they will be in steady supply. Extent of rail movement will depend on truck activity which last year handled the bulk of crop movement.

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PFE 10950 has been equipped with a plastic reinforced fiberglass two-piece door manufactured by Superior Door Co. This typical application is on right side of the car; left side is equipped with the usual steel door. Weight of the fiberglass door, including fixtures, is 1750#, compared to 1123# for the steel door, which should provide much easier operation. This design may lead to further developments that will bring present high parts in line with steel doors. While fiberglass construction lends itself to color impregnation, this sample door has been painted.

K. V. Plummer

THE PACKER, leading newspaper meeting the needs of the fruit and vegetable shipping trade, carried the following interview between Mr. Jeff Roark, staff writer, and Mr. Plummer, in connection with PFE's proposed construction of mechanical cars for fresh fruits and vegetables.

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Questions and Answers

PACKER STAFFER INTERVIEWS KEN PLUMMER
ON MECHANICAL REFRIGERATOR CAR'S FUTURE

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(The recent announcement of the Pacific Fruit Express Company, the country's largest refrigerated carline, that it had ordered 1,000 new, mechanically-operated refrigerator cars undoubtedly inspired many questions on the part of both produce people and traffic men throughout the United States. A few days ago a Packer staff representative, Jeff Roark, was privileged to interview Mr. Plummer, and the conversation is herewith recorded in question and answer form. - Ed.)

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Isn't it possible, Mr. Plummer, that the construction and placing into service of these 1,000 new mechanically refrigerated cars might signal the beginning of an entirely new era in the transportation of fresh fruits and vegetables?

Yes, it is possible. But we must be realistic, and recognize that there are many problems yet to be solved.

Problems? For instance?

Probably the most pressing is the economic question. As you know, we (PFE) already have 714 mechanically refrigerated cars in service, which up until this time have been used almost exclusively for frozen foods, with accompanying higher revenues. Up until this time, we can't admit to being even close to a "break-even basis" although PFE is making progress in that direction and in time we hope to work it out.

Aside from the dollars-and-cents angle, are your findings with these mechanically refrigerated cars on the favorable side?

Yes! As a matter of fact, we have discovered some intangible benefits that we did not even contemplate in the original program. First, there is little room for doubt as to the extreme desirability of controlled temperatures. Obviously, controlled

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temperature is a "must" with frozen foods, which must be kept at zero level, and such temperatures cannot be produced under all conditions with ice and salt.

With fresh fruits and vegetables, though, the absolute control would seem to be just as important, would it?

Even more so! Certainly, ice as a refrigerating medium for fresh fruits and vegetables has done an excellent job, particularly so since air circulating fans were built in the refrigerator cars. The only drawback there, of course, is that when the fans are inoperative, as they must be when the cars are standing in terminals or at intransit points, equal effectiveness in the refrigeration process cannot be sustained. Nevertheless, we seldom have complaints about refrigeration service provided in ice-refrigerated cars.

Why then would mechanically refrigerated units, particularly in view of the expense thereof, be attractive to the fresh fruit and vegetable industry?

Well, for one thing, with mechanical refrigeration it may be possible to condition, in addition to refrigerate, certain fruits and vegetables in transit, as for example, pears, tomatoes, avocados, bananas, and other of our products which are generally handled in this manner. Origin precooling might be eliminated in the case of some commodities. Furthermore, somewhat heavier loads can be transported as the engine compartment requires less space than the two ice bunkers, and the produce can be stacked higher.

Wouldn't the mechanically refrigerated car be a more usable unit for shipping return loads?

Yes. The dryness of mechanical cars offers considerable greater potentialities for securing westbound loading of various commodities that can be chambered in refrigerator cars. In this connection, the physical difficulty of supplying a dry refrigerator car for a return lading, instead of returning it empty as is now done in most instances, is undoubtedly a substantial reason why there is not more return traffic of this nature. In this connection, considerable savings are anticipated in the expense of cleaning cars through elimination of the need for ice removal from bunkers, as well as bodies of the cars, with the mechanically refrigerated unit, which of course, gets to be a grievous and expensive problem at certain seasons of the year.

Any other advantages?

Yes, the elimination of salting charges when temperatures desired are lower than can be obtained with ice alone.

I suppose there are disadvantages, too. Correct?

For the moment, yes. The high cost of operation should be placed as No. 1. Another disadvantage might be the exhaust noise and fumes which are objectionable at packing plants and in residential areas. Also, considerable work remains to be done to develop uniform dependability of the unit, since up until this time frequent inspections are necessary. Another point to consider is the probable continuing rising cost of fuel oils, which might be contrasted with reasonable stability of rates for electrical power and water used in the manufacture of ice. Another thing which comes to mind is the fact that with the mechanically refrigerated unit, the carrier will be unable to produce anything but the full rated standard refrigeration service.

Speaking of exhaust noises and fumes, wouldn't the same objections apply to trucks and in the same places, only more so?

You've got a point there, Jeff!

You stressed the high cost of operation and the economics of the mechanically refrigerated cars. Do you consider this a near-unsurmountable obstacle?

No I don't, but, with other puzzlers, it is sufficient to justify a rather cautious approach. On the other hand, no business, including PFE, remains successful by awaiting perfection before starting on a new project. This country was not developed that way. Many transportation people have through the years thought that mechanical refrigeration provided an answer to certain things, and it is our proposal to try to find these answers. With 1,714 new cars we will have the largest single fleet of this type of equipment. With such a fleet we should be able to develop constructive information that will not only be of benefit to us but to the industry as a whole, and certainly will open the door to further advancement in research work and development. There is a strong feeling that the present type mechanical equipment will be outmoded and that the studies under way will produce for us a new unit, efficient in every respect, and at a cost that all of us can afford. No, I would be the last to agree that the economic factor is unsurmountable.

Obviously, any changeover from ice to mechanical refrigeration could not possibly be too rapid, could it?

The development of mechanical refrigeration for frozen food some four or five years ago naturally attracted nation-wide attention. In some quarters statements were freely made that ice would drop out of the picture almost overnight and that the existing fleet of ice bunker cars would quickly be converted to mechanical service. The problem is not that simple: In fact, conversion is such an expensive thing it can hardly be justified -- at least with the refrigeration units presently available. It follows therefore that conversion of our fleet will be gradual and not take place suddenly,

and in this connection, as I have mentioned, a lot of research and development lies ahead of us.

Regarding the 1,000 new cars, do you intend to use them for frozen foods or for fresh fruits and vegetables, or both?

We contemplate making all the 1,000 cars available for dual service, either for fresh fruits and vegetables or for frozen foods. In these new units we will be able to maintain any desired temperature from minus 5 to 70 degrees above zero. While at first glance the 40-foot car might seem to be better adaptable to fresh fruits and vegetables, and the 50-foot car to frozen foods (as you know we have ordered 500 of each type) the thought occurs that maybe the 50-foot cars might turn out to be as desirable or even more so for fresh fruits and vegetables than the smaller units. Certainly, by improving per-car earnings for the railroads, we can hope to maintain a reasonable level of rates.

Wouldn't the larger units be impractical for smaller markets?

One wonders. Let's consider that some 75,000 carload equivalents crossed the California border by truck last year and that destinations of these truck loads which in many cases represented larger loads than are normally chambered in rail cars -- were generally west of the Mississippi River, then it becomes more difficult to believe that the small car is as important to the industry as perhaps it formerly was. In building railroad cars we have to look ahead some 20 to 25 years and this is one of the reasons it was decided to explore the field to determine if future cars could be made larger, and which in turn would make them more acceptable for westbound loading of dead freight.

That's a subject which has long interested me, and even more so recently. With higher and higher transportation costs, the question cannot but arise as to whether, assuming it is both practical and feasible to use refrigerator cars to carry freight both westbound and eastbound, these costs could not be lowered if more empty westbound reefers were pressed into service with a return load. As a matter of fact, what proportion of cars return empty?

At the present time, about 85 per cent of our cars return empty, and that's a pretty costly proposition for the handling lines. As I have pointed out, we are not in a position to say that these new cars, and particularly the larger ones, supply an answer to this problem. Our thought is that by assisting the railroads in developing a more efficient method of handling perishable products, we are making the greatest possible contribution to the industry, as low cost of operation, in spite of labor's persistent demands, will help maintain rates on a level that will keep our friends in business and enable them to compete with areas closer to market. If a large car will fit into this picture, then a forward step will have been made and in the right direction.

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